

MINUTES
WALNUT CREEK MUTUAL NO. FIFTY-SIX

TWENTY-NINTH ANNUAL MEETING OF THE MEMBERS
WEDNESDAY, OCTOBER 17, 2018 AT 9:30 A.M.
FIRESIDE ROOM AT GATEWAY CLUBHOUSE

The Twenty-Ninth Annual Meeting of Members was convened by President Robert Ward, on Wednesday, October 17, 2018 at 9:30 a.m. in the Fireside Room at Gateway Clubhouse, 1001 Golden Rain Road, Rossmoor, Walnut Creek, California.

ROLL CALL: PRESENT: Robert Ward – President
Bill Eames – Vice President
Vacant – Treasurer/Secretary

EXCUSED: None

Representing Mutual Operations Division were Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Operating Officer; Rick West, Building Maintenance Supervisor; Rebecca Pollon, Landscape Manager, and Anne Paone Administrative Secretary.

Assistant Secretary Anne Paone verified that a quorum was present with 20 of the 37 households represented in person. The presence of 13 households was required to establish a quorum.

CERTIFICATION OF NOTICE OF MEETING

Assistant Secretary Anne Paone certified that notice of the annual membership meeting was published in the *Rossmoor News* on September 12th, 19th and October 3rd, 2018, and a copy of the attached notice was sent to all members of record on October 3, 2018, in accordance with Article 4, Section 4.3, of the Bylaws of said corporation.

Mr. Ward advised that the minutes of the Twenty-Eighth Annual Meeting of Members and the Organizational Meeting held on October 18, 2017 were read and found to be accurate by the Board of Directors. Accordingly,

a motion was made, seconded, and carried to approve the minutes of the Twenty-Eighth Annual and Organizational Meetings held on October 18, 2017 as written and reviewed.

OFFICERS' REPORTS

President: Mr. Ward reported on Mutual Fifty-Six's accomplishments. There was a major building rehab completed. A contractor was selected for the 1916/1918 Lakeshire repair. Mailboxes were replaced and curbs and railings were repainted. The Rehab financing is nearly complete and the Mutual is in its best financial state in many years.

Mr. Ward reported the plans for the future include being proactive with maintenance.

Do underfloor inspections in 2019, road resurfacing in 2020 and exterior building inspections in 2022.

Regarding landscape rehab, Mr. Ward would like an increased budget for tree trimmings and plantings. He would like to see tentative additional funding such as \$100,00 to be used for upgrading landscaping.

Mr. Ward would like attorney Melissa Ward to do the governing docs update because the current ones are out-of-date.

Mr. Ward reported he would like to see solar panels in the Berm areas. This will be studied for next year.

Vice President: No report.

Mr. Chakoff reported that all but five people have paid cash upfront for the assessment. The loan is now \$108,000. Mechanics Bank sent a letter of interest. The Board can move \$100,000 from Banco Popular to Mechanics Bank.

REPORTS OF COMMITTEES

Building Maintenance – Mr. Webster reported that in August, the Board approved replacing only originally located hard wired smoke detectors with new hard wired units with a 10-year backup battery. Sang Electric has started that work. They will install additional smoke and CO2 detectors if the owner requests and pays for such. If you haven't arranged an appointment with Sang, give them a call at 925.890.4164. Units 1916 and 1918 had underfloor inspections which found moisture caused damage in the framing in some areas. Mutual 56 engaged an engineer to assess and provide engineered drawings for the necessary work. A contractor will be selected shortly and the work will commence asap. We have discussed with the Board different approaches to regular checking under other units for possible issues. A plan will be developed in the near future.

If you have any questions about what repairs an owner is responsible for, contact the MOD Work Order desk at 988.7650, a Board member or a committee member.

Landscape – Mr. Crist reported that Helen Delfontie, Shirley Bolton, Susie Crist and Patti Hornung are on the landscape committee. They have a wish list to replace dead plants. MOD will do small jobs with the two MOD working days. The cost is \$1,500 for materials only. A tree has been removed. Rebecca Pollon has an estimate for some sod removal and replacement. The contract with BrightView will be reviewed. If you have issues, call or email the work order desk.

TREASURER'S REPORT

Mr. Ward reported as of September 30th, the operating fund has a balance of \$44,256. The reserve balance is \$287,050. The line-of-credit debt is \$135,000.

PRESENTATION OF 2019 BUDGET

Mr. Donner presented the 2019 budget. He reported that there are 3 parts to the budget. The operating fund is for day-to-day items. The reserve fund is for major items such as painting and roofing. The GRF portion is for maintaining the Trust properties and providing cable to residents. The management fee will increase due to COLA (Cost of Living Adjustment).

Landscape will be increased by \$10.00. Building Maintenance will be increased by \$.55. The budget includes the EBMUD increase, which will be an increase of \$12.89. The total monthly increase is \$13.00 per manor per month. The monthly coupon will be \$1,201.00 per manor per month.

NEW BUSINESS

Election of Director: Anne Paone reported the following:

I, Anne Paone, Assistant Secretary of WALNUT CREEK MUTUAL FIFTY-SIX (Lakeshire), pursuant to California Civil Code § 1363.03, do hereby declare that the foregoing result of the election for Director of WALNUT CREEK MUTUAL FIFTY-SIX (Lakeshire) is in order and that the following person has been elected by acclamation of the membership to serve for a three-year term:

William (Bill) Eames

Mr. Ward reported that the Board is still looking for a 3rd Board member. If you are interested, please contact Anne Paone in the Board Office.

RESIDENTS' FORUM

Resident asked how underfloor inspections are budgeted. Mr. Donner responded that \$10,320 is in the budget for inspections. It would be a reserve expense.

Resident reported that the potential solar array installation being considered for powering the ponds would be located along Tice Creek and not in the berm area as had been previously, but erroneously so identified. No cost to the Mutual. The company that installs it owns the electricity and sells it to the Mutual.

Resident reported that if your fireplace is removed, you must cap off the chimney and can't have a spark arrestor.

Resident asked when the Mutual can get the \$100,000 back into their account. Mr. Chakoff reported paperwork has to go to the attorney and the Board needs to approve it. It can take about 3 months.

Resident asked if the Mutual is considering composting. Mr. Donner responded that under the direction of Republic Services, the goal is to have all of Rossmoor done by the end of 2019. There are pilot programs in parts of Rossmoor.

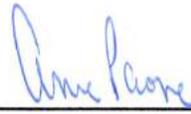
ANNOUNCEMENTS

The next regular meeting of the Board of Directors is scheduled for Wednesday, January 16, 2019 at 9:30 a.m. in the Board Room in Gateway complex.

ADJOURNMENT

Having no further business, the Twenty-Ninth Annual Meeting of Members

adjourned at 10:20 a.m. to an organizational meeting.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Fifty-Six